

KENTUCKY RETIREMENT SYSTEMS

BOARD OF TRUSTEES ELECTION POLICY AND PROCEDURES

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I. INTRODUCTION

Adoption of Board Election Policy

Pursuant to the provisions of Kentucky Revised Statute (KRS) 61.645, the Board of Trustees (Board) of the Kentucky Retirement Systems (Systems) is permitted to adopt procedures necessary to conduct the business of the Systems as needed. State and federal law shall control if any inconsistency exists between the law and this policy.

Statement of Board Election Policy

The Board is composed of seventeen trustees: ten nominated by the Governor, three (3) elected from members of the County Employees Retirement System (CERS), two (2) elected from members of the Kentucky Employees Retirement System (KERS), one (1) elected from members of the State Police Retirement System (SPRS), and the Secretary of the Personnel Cabinet. KRS 61.645(3) through (6) provides the basic statutory requirements for the election of the Trustees of the Board. The Systems recognizes the need to establish consistent procedures for the implementation of these statutory provisions requiring the election of certain trustees.

Purpose

The purpose of this Board Election Policy (Policy) is to establish procedures to implement KRS 61.645 and 105 KAR 1:445, Electronic ballots in Trustee elections.

II. DEFINITIONS

The following definitions and terms used in this Policy shall be applicable whenever used herein:

1. "Application" means the form adopted by the Board to be used by members seeking to be nominated and placed on the Official Ballot as a candidate.
2. "Ballot" or "Official Ballot" means a voting instrument, either electronic or paper, that includes the candidates for election as a Board trustee and the following information for each of the candidates:
 - a. Name;
 - b. Recent photograph;
 - c. City and county of residence;
 - d. Employing agency and position title or the employing agency from which the candidate last worked or retired and the position title of the last position held;
 - e. Education including schools and/or universities attended and degrees earned;

- f. Whether or not the candidate has been convicted of a felony;
- g. Any professional licenses or certifications held by the candidate; and
- h. Any organization of which the candidate is a member that is listed on the candidate's application.

The ballot shall contain the website address where each candidate's application and résumé shall be available for viewing. Candidates' position on the ballot shall be determined by random lottery, performed and certified by the Internal Auditor. Identification information for each eligible voter shall be protected by bar code or other means. The ballot shall include the ability to write-in candidates.

- 3. "Candidate" means a potential candidate who has been nominated and placed on the Official Ballot by the current Board or by petition from the membership of the system for which the vote is being taken.
- 4. "Constitutionally eligible individual" means a potential candidate who does not have a conflict of interest on the basis of holding a constitutionally elected or appointed position pursuant to KRS 61.645 and Kentucky Constitution Section 165.
- 5. "Eligible voter" means any person who was a member of the retirement system for which the vote is being taken on or before December 31 of the year preceding the election year and who has provided the Systems with a valid email or physical address as set forth in KRS 61.645.
- 6. "Member" shall mean individuals of CERS, KERS, or SPRS, whether that individual is active (i.e. currently employed), inactive (i.e. formerly employed, but not retired and has not taken an account refund), or retired.
- 7. "Petition" means a document submitted by a prospective candidate requesting to be nominated and placed on the Official Ballot by the members of their respective retirement system. A petition shall meet the following standards or, if it fails to meet the following standards, shall be deemed invalid and the requesting individual shall not be a potential candidate qualified for nomination and placement on the Official Ballot as a candidate:
 - a. The petition shall contain the names, the last four digits of Social Security numbers, and signatures of not less than one-tenth of the number of members voting in the last election for the respective retirement system. Each member may only be counted once on the petition.
 - b. A potential candidate seeking nomination by petition shall submit a fully completed application, résumé, and a release for a criminal background check at the same time the petition is submitted to the Systems.
- 8. "Plurality of votes" means a majority of votes cast in the election on a Valid Ballot.
- 9. "Potential candidate" means a member who is seeking nomination as a candidate by the current Board or by valid petition from the membership of the system for which the vote is being taken and who meets the following criteria:
 - a. Is a member of the system for which the vote is being taken;
 - b. Has fully completed and submitted an application, résumé, and a release for a criminal background check by the required deadline;
 - c. Is a constitutionally eligible individual;

- d. Is not statutorily prohibited from being a trustee by virtue of the term limits in KRS 61.645(3); and
 - e. Is not in violation of any provision of KRS 11A.020 or 11A.040 by a court of competent jurisdiction, current or prior employment by the Systems, or any other statute.
10. "Résumé" means a document submitted to the Systems by a member of the system for which an election is to be held, which shall include the member's name, address, phone number, e-mail address, and a written statement regarding the member's background and qualifications.
11. "Term of Office" means the period of membership on the Board, which shall begin on April 1 of the year elected or appointed and shall end on March 31 four years thereafter. One (1) CERS candidate will begin his/her term on November 1, 2021 with the term expiring on March 31, 2025. After which, terms for all candidates shall begin on April 1 of the year elected or appointed and shall end on March 31 four years thereafter.
12. "Valid Ballot" means a current version of the electronic or paper ballot provided to an eligible voter that has been marked to show the voter's choice of at least one (1), but not more than the maximum number of eligible candidates for the number of vacancies being filled. Electronic ballots shall be cast by March 1. Paper ballots shall contain the signature of the voter and be postmarked to the Systems in care of a predetermined post office box number at a United States Post Office located within Kentucky no later than March 1. Any ballot that does not meet these standards shall be deemed an invalid ballot and shall not be counted. In addition, if multiple votes are cast by one (1) individual, only the first counted vote will be considered valid and will be counted; all subsequent votes shall be invalid and will not be counted.
13. "Write-in candidate" means an individual whose full name (first, middle, and last name) was written in the space provided on at least one Valid Ballot. Should a write-in candidate receive a plurality of votes, the Internal Auditor will ensure the write-in candidate meets all of the following criteria. If the criteria is not met, the write-in candidate will not be allowed to serve as trustee:
- a. Is a member of the system for which the vote is being taken;
 - b. Is not statutorily prohibited from being a trustee by virtue of the term limits in KRS 61.645(3);
 - c. Is not in violation of any provision of KRS 11A.020 or 11A.040 by a court of competent jurisdiction, current or prior employment by the Systems, or any other statute; and
 - d. Is a constitutionally eligible individual.

III. REQUESTS FOR CANDIDATES PROCEDURES

1. The Systems shall provide a notice to the membership seeking applications from members to be nominated to be a potential candidate for the position of Trustee. The notice shall include information, or direct the membership on how to find information, regarding the qualifications necessary for candidacy as well as the due dates for applications and other required documents.

2. A member seeking nomination by the Board must submit a completed application, résumé, and a release for a criminal background check to the Executive Director or his designee by July 31 of the year prior to the expiration of a term of office.
3. Personal information for each member requesting nomination by the Board will be forwarded to the Office of the Attorney General of Kentucky to determine whether the member is a constitutionally eligible individual.
 - a. If the member is not a constitutionally eligible individual, the member shall be notified of his or her ineligibility, and that he or she will not be listed as a potential candidate for nomination by the Board, unless the member resigns his or her position causing the constitutional ineligibility.
 - b. The Board also shall be notified if the member seeking to be listed as a potential candidate for nomination by the Board is determined not to be a constitutionally eligible individual.
4. Any information requested by a potential candidate and approved by the Systems to be provided to the potential candidate shall be forwarded to all other potential candidates, providing the information does not violate the confidentiality requirements specified in KRS 61.661 or any other binding law.

IV. NOMINATION BY THE BOARD PROCEDURES

1. The Executive Director of the Systems shall provide written notice to the Board of election procedures at the first quarterly meeting in the Board year preceding the expiration of the term of office.
2. At the quarterly Board meeting in September, the Board shall nominate no more than three (3) candidates for each position to be elected.
 - a. In the case of CERS, the ballot shall contain no more than nine (9) names.
 - b. In the case of KERS, the ballot shall contain no more than six (6) names.
 - c. In the case of SPRS, the ballot shall contain no more than three (3) names.
3. At the quarterly Board meeting in September, the current trustees will be given a list of all potential candidates seeking nomination by the Board.
4. From the list provided, each current trustee may vote for up to three (3) potential candidates per open position. The maximum nominations are as follows:
 - a. In the case of CERS, each current trustee may vote for up to nine (9) candidates.
 - b. In the case of KERS, each current trustee may vote for up to six (6) candidates.
 - c. In the case of SPRS, each current trustee may vote for up to three (3) candidates.
5. After voting under Paragraph four (4) of this section is completed, a representative from Internal Audit will review the number of votes received by each potential candidate. The potential candidates that receive the highest number of votes will be placed on the Official Ballot. No more than the maximum allowed nominated candidates under Paragraph two (2) of this section will be placed on the Official Ballot.
6. If multiple potential candidates receive the same number of votes under Paragraph four (4) of this section resulting in more than the maximum allowed nominated candidates under Paragraph two (2) of this section, another vote will be taken only of those potential candidates receiving a tying vote for the last spot(s) on the Official Ballot.

Trustees will vote for up to one (1) potential candidate per remaining spot to be filled on the Official Ballot. After the additional vote is taken, the potential candidate(s) receiving the highest number of votes will be placed on the Official Ballot. The voting shall continue in this manner until the ties are broken resulting in no more than the maximum number of allowed nominated candidates under Paragraph two (2) of this section.

7. If voting under Paragraphs four (4) and/or six (6) of this section results in fewer than the maximum number of allowed potential candidates being nominated to the Official Ballot under Paragraph two (2), the trustees must take one (1) of the following actions by affirmative majority vote:
 - a. Allow only those potential candidates with the highest number of votes under Paragraphs four (4) and/or six (6) to be placed on the Official Ballot, or
 - b. From the original list of potential candidates, vote in accordance with Paragraph six (6) of this section for potential candidates who have not received sufficient votes under Paragraphs four (4) or six (6) to be placed on the ballot until the maximum number of potential candidates under Paragraph two (2) are nominated to be on the Official Ballot.
8. The Systems will publish the candidates nominated by the Board on the Systems' website. Deadlines as set out below shall be provided on the website.

V. NOMINATION BY PETITION PROCEDURES

1. After the Systems announces the candidates nominated by the Board, a member may also seek nomination by petition from the membership of the retirement system for which the election is to be held. The petition nomination process will be published on the Systems' website.
2. To be nominated as a candidate on the Official Ballot, a member seeking nominating by petition from the membership of the retirement system for which the election is to be held must submit a petition complying with the requirements as set out in the definitions above and adhere to the following requirements:
 - a. The petition may only contain the name of one (1) potential candidate.
 - b. The petition shall be delivered to the Executive Director or his designee no later than November 30 of the year prior to the expiration of a term of office.
3. Names and last four digits of Social Security numbers on petitions shall be verified by individuals designated by the Executive Director and the results shall be certified by the Internal Auditor. The certification of additional candidates shall become part of the official minutes of the Board.
4. Personal information for each member submitting a petition will be forwarded to the Office of the Attorney General of Kentucky to determine whether the member is a constitutionally eligible individual.
 - a. If the member is not a constitutionally eligible individual, the member shall be notified of his or her ineligibility, and that he or she does not qualify as a potential candidate for nomination by petition, unless the member resigns his or her position causing the constitutional ineligibility.
 - b. The Board also shall be notified if the member seeking to qualify as a potential candidate for nomination by petition is determined not to be a constitutionally

eligible individual.

5. Any information requested by a potential candidate and approved by the Systems to be provided to the potential candidate shall be forwarded to all other potential candidates, providing the information does not violate the confidentiality requirements specified in KRS 61.661 or any other binding law.

VI. ELECTION PROCEDURES

1. An Official Ballot, complying with the requirements as set out in the definitions above, shall be prepared no later than three (3) months prior to the expiration of the term of office in question.
 - a. Electronic ballots shall include instructions on voting for a candidate, including write-in candidates. The deadline by which electronic votes must be cast shall be included on the electronic ballots.
 - b. Paper ballots shall include instructions for voting for a candidate, including write-in candidates, and for marking and returning the ballots. The postmark deadline for the paper ballots shall be printed on the ballots. Paper ballots shall be addressed to the Systems in care of a predetermined post office box number at a United States Post Office located within Kentucky.
2. The Executive Director or designee shall initiate a bid for a contracted auditing firm to serve as the Systems' Election Services Vendor using the procurement procedures then in place. The bid shall outline vendor security requirements, the technical requirements for both electronic and paper ballots (including paper ballot printing specifications), and the required election timeline.
3. The Board's contracted auditing firm shall obtain the post office box for receipt of paper ballots. Access to this post office box shall be limited to the contracted auditing firm. An agreement shall be made between the Systems and the contracted auditing firm concerning the location of the postal box and the Business Reply Permit Number that shall be used.
4. Only one (1) ballot will be provided to an eligible voter. Ballots will be distributed as follows:
 - a. Electronic ballots for the election of trustees shall be distributed via email addresses on file at the Systems.
 - b. Paper ballots for the election of trustees shall be distributed via the United States Postal Service to each voter that does not have a valid email address on file at the Systems or to each eligible voter that requests a paper ballot by November 30 of the year prior to the expiration of a term of office.
5. Duplicate ballots will not be produced.
 - a. If an eligible voter fails to receive a ballot (paper or electronic) because of an act or omission of the Systems and makes the Systems aware of this before the voting has closed, the Internal Auditor shall provide a replacement ballot. If the Systems is made aware of the situation on or before one (1) week prior to the postmark deadline, the eligible voter may request either a paper or electronic

ballot. If the Systems is made aware of the situation with less than a week before for the postmark deadline, only an electronic ballot will be provided to the eligible voter. The Internal Auditor shall notify the contracted auditing firm in writing about the newly provided ballot.

- b. If a paper ballot is returned to the Systems with an invalid address, but a corrected address is received from the United States Postal Service on or before one (1) week prior to the postmark deadline, the Internal Auditor may mail a subsequent paper ballot to the eligible voter at the corrected address.
6. All eligible voters will be provided with an electronic ballot or mailed a paper ballot on or before January 20.
 7. The contracted auditing firm shall count each ballot. In so doing, the contracted auditing firm shall review the validity of the ballot in accordance with the definition above. All votes via valid ballots shall be counted for the candidates marked. During the process of the count, all ballots shall be in the exclusive control of the contracted auditing firm, with proper security to ensure that no one other than the contracted auditing firm has access to the ballots.
 8. Official ballots returned to the Systems will be processed in accordance with 105 KAR 1:445 Sections 4, 6.
 9. After counting all valid ballots, the contracted auditing firm shall certify in writing the results of the election to the Chair of the Board in care of the Executive Director at the retirement office on or before March 15 of the year in which a term of office expires.
 10. The candidate(s) receiving a plurality of the votes for each trustee position to be elected shall be designated as the winner. Winning candidates shall begin their term of office as trustee on April 1 and shall be sworn in at the annual meeting of the Board. One (1) CERS candidate will begin his/her term as trustee on November 1, 2021 and will be sworn in at the November quarterly Board meeting. That term will expire on March 31, 2025. After which, terms for all candidates elected as trustees shall begin on April 1 of the year elected or appointed and shall end on March 31 four years thereafter.
 - a. In the case of CERS, the three (3) persons receiving the largest pluralities of votes shall be the elected trustees.
 - b. In the case of KERS, the two (2) persons receiving the largest pluralities of votes shall be the elected trustees.
 - c. In the case of SPRS, the one (1) person receiving the largest plurality of votes shall be the elected trustee.
 11. Once ballots have been counted and the election is deemed final, the contracted auditing firm shall destroy all ballots and provide a certificate to that effect to the Executive Director or his designee.

VII. VACANCY PROCEDURES

1. Any vacancy that may occur in a trustee position other an elected trustee position, except by the expiration of the term, shall be filled in the same manner that provides for the selection of that non-elected trustee position under KRS 61.645.

2. Any vacancy, which may occur in an elected position, other than by the expiration of the term, shall be filled within ninety (90) days by appointment by a majority vote of the remaining elected trustees.
 - a. The Systems shall provide notice to the membership seeking applications for members to be appointed for the position of Trustee.
 - b. A member seeking appointment by the Board must submit a completed application, résumé, and release for criminal background check to the Executive Director or his designee no later than sixty (60) days after the vacancy occurs. The specific due date will be listed in the provided notice.
 - c. Personal information for each member requesting appointment by the Board will be forwarded to the Office of the Attorney General of Kentucky to determine whether the member is a constitutionally eligible individual.
 - i. If a member is not a constitutionally eligible individual, the member shall be notified of ineligibility and that he or she will not be considered for appointment to the vacant position, unless the member resigns his or her position causing the constitutional ineligibility.
 - ii. The Board shall also be notified if a member seeking appointment is determined not to be a constitutionally eligible individual.
3. Each current trustee may make one (1) nomination for the vacant seat.
4. The individuals nominated by the current trustees shall complete and submit an application, a résumé, and a release for a criminal background check. All individuals nominated by the current trustees shall meet the requirements of a potential candidate as defined above.
5. If more than two (2) candidates are nominated for appointment to fill the vacancy of an elected position, then the Board shall reduce the number to two (2) candidates by use of the voting procedure set forth in Paragraphs 4 and 5, Nomination By the Board Procedures, set forth above.
6. Any such vacancies shall only be filled for the expiration of the unexpired term.

VIII. VENDOR PROCUREMENT PROCEDURES

1. When procuring a contracted auditing firm to serve as the Systems' Election Services Vendor, the request for proposal (RFP) shall indicate that the selected vendor will sign the Systems' Business Associate and Confidentiality Agreements as well as provide a summary of security policies and standard security procedures related to ensuring election integrity. The RFP must include specific security details to which the vendor must adhere. The security details should include, but not be limited to, the following topics:
 - a. Systems, network, and application software used to process sensitive information.
 - b. Vendor risk and threat management responsibilities.
 - c. Software License Agreements.
 - d. Service Level Agreement and Support.

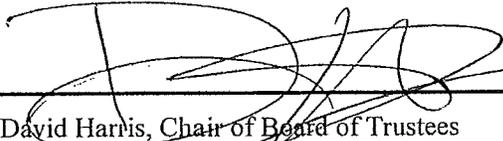
2. The team that drafts the RFP and evaluates the bid proposals should include employees from the Divisions of Internal Audit Administration, Communications, and Enterprise and Technology Services. Staff from the Office of Legal Services should be consulted as needed.

IX. ETHICS

Ethics in the election process shall conform to the Executive Branch Code of Ethics as set forth in KRS Chapter 11A.

X. CERTIFICATION

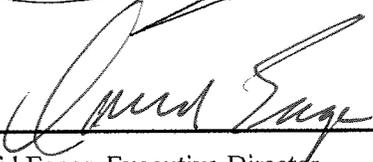
We, the Chair of the Board and the Executive Director, do hereby certify that this Board Election Policy and Procedures was amended by the Board on this the 10th day of September, 2020.



David Harris, Chair of Board of Trustees

9/25/2020

Date



David Eager, Executive Director

9/29/20

Date

History: Approval Date: June 9, 2005,
Amended: May 18, 2006; May 17, 2007; August 19, 2010; May 17, 2012;
August 16, 2012; December 5, 2013; and September 10, 2020