



COUNTY EMPLOYEE RETIREMENT SYSTEM BOARD OF TRUSTEES PER DIEM AND REIMBURSEMENT POLICY

Approval Date: March 16, 2022

Section 1: Scope

- A. This policy is enacted pursuant to Kentucky Revised Statutes (“KRS”) 78.782, which provides that the Board of Trustees (“Board”) of the County Employees Retirement System (“System”) is permitted to adopt procedures necessary to conduct the business of the System as needed. As well, this policy is enacted consistent with the Bylaws of the Board, which provide for reimbursement of the Trustees in their official duties for the System.
- B. Pursuant to KRS 78.780, Trustees who do not otherwise receive a salary from the State Treasury shall receive a per diem of \$80 for each day they are in session or on official duty, and shall be reimbursed for their actual and necessary expenses in accordance with state administrative regulations and standards.
- C. All payments of per diem and/or reimbursement under this policy shall be made consistent with the Model Procurement Code as set forth in KRS Chapter 45A, 200 KAR 2:006, and the Executive Branch Code of Ethics as set forth in KRS Chapter 11A.
- D. In every event, Trustees shall endeavor to conduct the official affairs of the System in such a manner as to minimize the cost of providing efficient guidance and administration of the funds entrusted to the Board.
- E. Nothing in this Policy shall be interpreted so as to prohibit or discourage Trustees from attending all official functions of the Board or its Committees, or Kentucky General Assembly or other legislative functions, which such Trustee believes will enhance his/her ability to make decisions that benefit the System.

Section 2: Official Duty

- A. “In Session” shall include the following:
 - (1) Meetings of the full Board;
 - (2) Meetings of Committees of which the Trustee is a member or alternate or the Trustee chooses to attend in order to strengthen their overall knowledge of the Board’s CERS administration, and

- B. “Official Duty” shall include the following:
- (1) Preparation for Board or Committee meetings;
 - (2) New Trustee Orientation at the Kentucky Public Pension Authority office building in Frankfort;
 - (3) Training approved by the CERS CEO (or Board Chair) in an amount deemed necessary by the CERS CEO (or Board Chair) and the Trustee to enhance the work of the Board;
 - (4) The Chair or Vice-Chair’s presentations at sessions of the General Assembly, the Legislative Research Commission, or another legislative subcommittee at the invitation of the Legislature, or a Legislator.
- C. The following are not considered to be “in session” or “on official duty” in order to permit the Trustee to seek a per diem reimbursement, unless specific permission is given by the Chair or the Chief Executive Officer or designee:
- (1) Group or Association meetings;
 - (2) Membership meetings;
 - (3) Other constituent meetings; and
 - (4) When requested to appear by a court or other government entity.
- D. Trustees attending functions as described in Section 2, subsection (C) above shall only be considered to be on official duty when attendance is at the written request, invitation or permission of the Chair of the Board or the Chief Executive Officer or designee. Approval will only be granted for a reasonable number of these functions per year.
- E. If the Chair requests authorization for functions as provided under Section 2, subsections (C) and (D) above, the Vice Chair shall approve such requests.

Section 3: Authorization

- A. Prior to attending a non-System and/or non-State (e.g. industry conference) function, a Trustee shall obtain authorization to be reimbursed for attending such a function on official business of the System by the Board Chair or the Chief Executive Officer or designee.
- B. Authorization shall be obtained through written or e-mailed communication, and should contain the following information:
- (1) Name of Trustee requesting authorization;
 - (2) Purpose of the function;
 - (3) Vicinity and length of time of travel;
 - (4) Estimated cost of travel;
 - (5) Signature of person requesting authorization; and
 - (6) Signature of Chief Executive Officer or designee.
- C. Attendance at full CERS meetings or Committee meetings requires no separate authorization.

Section 4: Preparation for Meetings

- A. Preparation worked in advance for a meeting of the Board or a Committee of the Board shall include time spent reviewing written and/or video transcripts of formal administrative

- hearings or the records, exhibits, documents and memoranda provided to Trustees by the System prior to each Board or Committee meeting.
- B. Trustees shall be compensated for preparation for a meeting of the Board or a Committee of the Board as provided under Section 4, subsection (A), at an hourly rate equal to the per diem divided by seven and one-half (7 ½) hours. Each Trustee shall report the number of hours spent in preparation on the Preparation Reimbursement Form provided by the System.
 - C. Trustees may not request per diem reimbursement for preparation time on the same day as another CERS Board or committee meeting. Trustees are paid for a full day for each meeting attended, so any preparation time worked on a meeting day is automatically included in the 7.5 hours for the day when the meeting occurred.
 - D. The Chief Executive Officer or designee shall review all Preparation and Reimbursement Forms and approve all hours for payment as deemed appropriate for the required task.

Section 5: Reimbursement

- A. Following the function, all travel expenses should be timely claimed on a Commonwealth of Kentucky Finance and Administration Cabinet Travel Voucher form. In no event shall a Trustee be reimbursed by the System for any expenses also claimed reimbursable from another state agency or the Trustee's employer.
- B. Actual and necessary travel expenses shall be paid in accordance with 200 KAR 2:006.
- C. Twice a month, the Chief Executive Officer or designee shall prepare the Per Diem Compensation Schedule and approve such payments.
- D. Reimbursement will be made only for individuals who are doing business on behalf of the Systems.
- E. All reimbursement under this Section must be made consistent with the requirements of the Executive Branch Code of Ethics, KRS Chapter 11A. Please refer to the Executive Branch Ethics Commission web site for more information at: <http://ethics.ky.gov/>.

Section 6: Forms

- A. The following forms are attached and are incorporated by reference.
 - (1) Preparation Reimbursement Form - General
 - (2) Preparation Reimbursement Form – DAC/AAC
 - (3) Commonwealth of Kentucky Finance and Administration Cabinet Travel Voucher form
 - (4) All forms incorporated by reference in 200 KAR 2:006
 - (5) Per Diem Compensation Schedule
- B. These forms may be updated and amended as necessary without effect to this Policy.

Section 7: Certification

We, the Chair of the Board of Trustees of the County Employee Retirement System, and the Chief Executive Officer of the County Employee Retirement System, do hereby certify that this Per Diem and Reimbursement Policy was amended and made effective by the Board of Trustees of the County Employees Retirement System on the 16th day of March, 2022.

Betty A Pendergrass
Chair of the Board of Trustees
County Employee Retirement System

04/28/2022
Date

Ed Owens III
Chief Executive Officer
County Employee Retirement System

04/28/2022
Date