



**COUNTY EMPLOYEES RETIREMENT SYSTEM
BOARD OF TRUSTEES
TRUSTEES EDUCATION PROGRAM**

Adopted: September 29, 2021

I. Introduction

1. Adoption of Board Trustees Education Program. Pursuant to the provisions of Kentucky Revised Statute (KRS) 78.782 and 105 Kentucky Administrative Regulation (KAR) 1:440, the Board of Trustees (Board) of the County Employees Retirement System (System) is required to establish a formal Trustees Education Program (Program) for all Trustees of the Board.
2. Background. KRS 78.782(17) provides the basic statutory requirements for the Program.
3. Statement of Purpose of Board Trustees Education Program. The purposes of this document are to outline the Program and to establish a procedure for ensuring compliance with the state, federal, and common law. In the event that any portion of this document conflicts with state, federal, or common law, the law shall prevail.

II. Definitions

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

1. "Approved Education Activity" is a Trustee Education Activity that has been approved for credit hours of training by the Board Chair or the Chief Executive Officer or designee.
2. "Trustee Education Activity" is any educational activity, program, or training which provides instruction in one or more of the following areas:
 - A. Benefits;
 - B. Benefits administration;
 - C. Investment concepts;
 - D. Investment policies;
 - E. Current composition and administration of retirement systems investments;
 - F. State or federal statutes, regulations, case law, and/or other applicable authority governing CERS or fiduciaries;
 - G. Bylaws of the Board; and/or
 - H. Actuarial and financial concepts pertaining to the retirement systems.

3. "Chief Executive Officer" or "CEO" is the Chief Executive Officer of the System or his or her designee.
4. "Credit hour" is sixty (60) minutes of actual time spent on Approved Education Activities, which may be accrued in increments of not less than fifteen (15) minutes.
5. "Education Year" is the twelve (12) months commencing on a Trustee's date of appointment and on the anniversary of that date thereafter.
6. "Trustee" is a member of the Board.

III. Board Approved Education Activities

The Board hereby adopts the following as Approved Education Activities:

1. Presentations by the CERS CEO, CERS General Counsel, Investment Consultants and/or staff of the Kentucky Public Pensions Authority (KPPA) or firms or persons retained to provide training on:
 - A. Benefits and benefits administration;
 - B. Investment concepts, policies, and current composition and administration of system investments;
 - C. Laws, bylaws, and administrative regulations pertaining to the system and to fiduciaries;
 - D. Actuarial and financial concepts pertaining to the system; and
 - E. Fiduciary responsibilities.
2. Attendance at meetings (e.g., Board, Committee) where there is a presentation on a topic identified as a Trustee Education Activity and where the meeting agenda states that the presentation is an Approved Education Activity; or
3. The Trustee makes a presentation of material that is approved as a Trustee Education Activity and the participants are receiving continuing education or professional association credit; or
4. The Trustee watches an approved Education Activity Video of previously recorded CERS Education Activity where the original attendees received Education Credit. This activity will be performed in consultation with the CERS CEO.
5. Workshops and conferences¹ presented by the following:
 - A. The National Association of State Retirement Administrators (NASRA),
 - B. The National Association of Public Pension Attorneys (NAPPA),
 - C. The National Conference on Public Employee Retirement Systems (NCPERS), and
 - D. The Institutional Limited Partners Association (ILPA).

¹ For in-person workshops and conference, no more than four (4) Trustees may attend to ensure that no quorum of the Board is present.

- E. Other associations that provide continuing education for a Trustee's professional certification, such as CPA, CFA, CGFM, CFE, or LLB among others.

IV. Chief Executive Officer (or Designee) Approved Education Activities

1. A Trustee Education Activity not delineated as a Board Approved Education Activity must be submitted for approval by the CERS CEO or the designee on a Trustee Education Activity Approval Request form thirty (30) days before the educational activity is to be held; however, the CEO may make exceptions on a case-by-case basis.
2. The Trustee Education Activity Approval Request form must be submitted with appropriate documentation, such as a sample agenda, course outline, or materials describing the content of the Trustee Education Activity. The CERS CEO may request additional supporting materials on a case-by-case basis.
3. The Board will not pay for the educational activity unless it is approved.
4. Types of education activities that may be submitted for approval by the CEO:
 - A. Review of educational material related to public pensions and/or investments;
 - B. Workshops and conferences presented by other state retirement systems;
 - C. Workshops and conferences presented by non-profit organizations other than those noted in Section III, Number Three (3);
 - D. Workshops and conference presented by trade groups, vendors, potential vendors, and other for-profit entities (however, before any such educational opportunities are approved, the program must be reviewed by the CERS General Counsel for compliance with the Executive Branch Code of Ethics under KRS Chapter 11A and the Executive Branch Procurement Code under KRS Chapter 45A);
 - E. Educational Material reviewed by the Trustee outside of a workshop or conference program and not provided by Kentucky Public Pensions Authority staff.
5. The CERS CEO shall review each Trustee Education Activity Approval Request and shall notify the Trustee of whether the Trustee Education Activity is approved for credit hours. An approval in any given year shall not bind the CERS CEO to approve a Trustee Education Activity in any future year.

V. New Trustee Orientation Program

1. After a new Trustee (New Trustee) is sworn in as a member of the Board, the New Trustee shall be required to complete the New Trustee Orientation Program during his or her first Education Year.
2. The New Trustee Orientation Program shall consist of no less than eight (8) credit hours of Approved Education Activities.

3. The Chief Executive Officer shall be responsible for working with KPPA staff to make the New Trustee Orientation Program available for New Trustees, and may designate other Approved Education Activities for fulfilling the requirements of the New Trustee Orientation Program.
4. The New Trustee Orientation Program shall include training in each of the categories listed under "Trustee Education Activity" in Section II. The New Trustee Orientation Program shall emphasize legal and fiduciary responsibilities of Trustees, including, but not limited to, presentations on these topics by independent third party experts. New Trustees shall also be informed about the operations of CERS and KPPA through presentations by any of the following: the CERS CEO, CERS General Counsel, the KPPA Executive Director, the KPPA Chief Investment Officer, the KPPA Executive Director of the Office of Operations, the KPPA Executive Director of the Office of Benefits, the Executive Director of the Office of Legal Services, the Senior Health Advisor, the Internal Audit Director, the Information Security Officer, and other qualified staff members designated by the CERS CEO.
5. If a New Trustee fails to complete the New Trustee Orientation Program within one (1) year following the date the New Trustee is sworn in, the System shall withhold payment of all per diems and travel expenses due to the New Trustee (or which subsequently may come due) until such time as the New Trustee completes the New Trustee Orientation Program.
6. Each New Trustee attending an Approved Education Activity for the New Trustee Orientation Program shall certify to the CERS CEO on an Approved Education Activity Certification of Completion form that the New Trustee attended the Approved Education Activity and the total number of hours earned.
7. An Approved Education Activity Certification of Completion form for the New Trustee Orientation Program must be received by the CERS CEO no later than sixty (60) days after completion of the Approved Education Activity. An Approved Education Activity Certification of Completion form received more than sixty (60) days after the required deadline will not be approved.
8. The CERS CEO or designee shall maintain a record of all Approved Education Activities attended and/or performed by each New Trustee. Within the following quarter after the date that the New Trustee is sworn in as a member of the Board, the CERS CEO shall report in writing to each New Trustee whether the New Trustee has complied with the requirements of the New Trustee Orientation Program. The CERS CEO shall report to the Board every quarter the status of Trustee Education. The report shall include the number of credit hours earned and any remaining credit hours that need to be earned to fulfill the requirements of the New Trustee Orientation Program and/or the annual Education Activity requirement.

VI. Annual Required Training


1. For every Education Year, Trustees shall complete a minimum of twelve (12) credit hours of Approved Education Activities. The eight (8) credit hours of New Trustee Orientation Program for New Trustees shall be applied toward the annual twelve (12) credit hour requirement. Accordingly, New Trustees shall be required to complete an additional four (4)

credit hours in addition to the New Trustee Orientation Program in order to meet their annual required training requirements.

2. The CERS CEO shall make available Approved Education Activities and may approve other Trustee Education Activities for fulfilling the annual training requirements.
3. Each Trustee attending an Approved Education Activity shall certify to the CERS CEO on an Approved Education Activity Certification of Completion form that the Trustee attended the Approved Education Activity and the total number of hours earned.
4. An Approved Education Activity Certification of Completion form must be received by the CERS CEO no later than sixty (60) days after completion of the Approved Education Activity.
5. If a Trustee fails to complete the annual required training the System shall withhold payment of all per diems and travel expenses due to the Trustee (or which subsequently may come due) until such time as the Trustee completes the annual required training.
6. The CERS CEO shall maintain a record of all Approved Education Activities attended by each Trustee. At the end of each Trustee's Education Year, the CERS CEO shall report in writing to each Trustee the number of credit hours earned by the Trustee during the Education Year.

VII. Certification

We, the Chair of the Board of Trustees of the County Employees Retirement System, and the Chief Executive Officer of the County Employees Retirement System, do hereby certify that this Trustee Education Policy was made effective by the Board of Trustees of the County Employees Retirement System on the 29th day of September, 2021.



Chair of the Board of Trustees
County Employees Retirement System

09/29/2021

Date



Chief Executive Officer
County Employees Retirement System

09/29/2021

Date



COUNTY EMPLOYEES RETIREMENT SYSTEM BOARD EDUCATION PROGRAM

Pursuant to KRS 78.782(17) after a new Board Member is sworn into office, he/she is required to complete a total of eight (8) credit hours of Education Activities. As part of this Orientation Program, a KPPA Executive is to provide an initial overview of the County Employees Retirement System (CERS) and the Kentucky Public Pensions Authority (KPPA), worth two (2) credit hours towards the first year's Education Activities.

After completing the Initial Orientation Program, each Board member is required to complete a minimum of twelve (12) credit hours of Education Activities.

Education activities are earned by attending regular, annual, and special called Board and Committee Meetings. Additional onsite Education Activities and online trainings administered by CERS will be automatically tracked. Board Members wishing to receive credit for Education Activities *not* provided by the CERS CEO will need to submit a copy of their training completion certificate detailing the education activity event title, date, time, instructor, and vendor to: Ashley Gabbard, Staff Assistant, via *email*: ashley.gabbard@kyret.kyky.gov, *fax*: (502) 696-8644, or *mail*: KPPA, 1260 Louisville Rd, Frankfort, KY 40601. For Questions regarding the Trustee Education Program, please contact Ashley Gabbard, Staff Assistant, at (502) 696-8565.

Educational training received by the Board member to comply with accreditation or continuing education requirements for external certifications may receive credit toward the twelve (12) credit hours of Educational Activities needed on an annual basis.

Education Activities provide instruction in the following areas:

- Retirement benefits; Benefits administration
- Investment concepts; Investment policies
- Administration of retirement systems investments
- Kentucky Statutes governing County Employees Retirement System (CERS)
- Administrative regulations governing CERS
- By-laws of the Board
- Case law, statutes, administrative regulations, or other application authority regarding being a fiduciary
- Actuarial and financial concepts of retirement systems
- Executive Branch Ethics
- HIPAA
- Information Security

Pursuant to KRS 78.782(17), an Education Activity *not* provided by the CERS CEO qualifies for approval, if the CEO or the Board determines that the activity conforms to the following standards:

- The activity is an organized program of learning (including a course of study, workshop, symposium or lecture).
- The activity has as its primary objective to increase the participants' knowledge regarding one of the Education Activity subjects listed above.
- The activity must be offered by a sponsor having substantial, recent experience in offering education and training on one of the subjects listed as an Education Activity above.

COUNTY EMPLOYEES RETIREMENT
SYSTEMS

Board Education Program
Initial Orientation Acknowledgement Form

Below is a checklist of Education Activities discussed during the initial New Member Orientation.

Check off each item covered:

- { } a. Retirement Benefits;
- { } b. Benefits Administration;
- { } c. Investment Concepts;
- { } d. Investment Policies;
- { } e. Administration of Retirement Systems Investments;
- { } f. Statutes governing County Employees Retirement System (CERS);
- { } g. Administrative Regulations governing CERS,
- { } h. By-laws of the Board;
- { } i. Case Law, Statutes, Administrative Regulations, or other application authority regarding Fiduciary responsibilities;
- { } j. Actuarial and Financial Concepts of the CERS System.

I acknowledge that I have received a copy of the CERS Board Education Program policy adopted on September 29, 2021. I understand that I am responsible for becoming familiar with the contents. I also acknowledge that the CERS CEO has provided me with verbal and (or) written information in each of the categories listed in Chapter 1, Section 2 of the program policy.

Board Member Signature Date

Initials of KPPA Executive conducting the orientation: _____ Date _____

Copy given to new Board Member: _____ Yes _____ No



COUNTY EMPLOYEES RETIREMENT SYSTEM EXTERNAL TRAINING VERIFICATION FORM

Instructions: Pursuant to KRS 78.782(17), the County Employees Retirement System (CERS) Trustees Education Program allows for education activities not provided by the CERS CEO to be considered for approval, if the activity conforms to the standards outlined in Chapters 1 and 2.

Education Activities provide instruction in the following areas: retirement benefits; benefits administration; investment concepts; investment policies; administration of retirement systems investments; statutes and administrative regulations governing CERS; bylaws of the Board; case law, statutes, administrative regulations, or other application authority regarding being a fiduciary; and actuarial and financial concepts of retirement systems.

Trustee Attestation:

I hereby attest that I attended the external meeting described below and that it complies with the requirements of Chapters 1 and 2 of the County Employees Retirement System Trustees Education Program.

I hereby attest that I reviewed educational material related to pensions and investments.

Trustee name (print): _____

Signature: _____ Date: _____

List the name of the meeting(s) attended, sponsor, date(s) and time(s), and specific education activity area of the training and/or the material(s) reviewed and the area of training for which you are claiming credit:

Approved by: _____ Date: _____

CERS CEO

Number of credit hours approved: _____

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Betty A Pendergrass, Chair
Jerry Powell, Vice-Chair
Ed Owens, CEO