

KENTUCKY RETIREMENT SYSTEMS

REQUEST FOR PROPOSAL

MEDICAL EXAMINER SERVICES

2012

KENTUCKY RETIREMENT SYSTEMS

REQUEST FOR PROPOSAL - MEDICAL EXAMINER

INTRODUCTION

The Board of Trustees of the Kentucky Retirement Systems is permitted to contract for medical examiners pursuant to the provisions of KRS 61.665. Individuals interested in providing medical examiner services to the Kentucky Employees Retirement System (KERS), the County Employees Retirement System (CERS), and the State Police Retirement System (SPRS) are being asked to submit written proposals for providing such services.

BACKGROUND

Kentucky Retirement Systems (KRS) administers three separate retirement plans for various state and local government employees. These plans include: KERS for hazardous and non-hazardous employees of the Commonwealth, CERS for hazardous and non-hazardous employees of approximately 1,000 city and county government agencies throughout the state, and SPRS for uniformed State Troopers. Contributing employees are eligible to apply for monthly disability retirement benefits after earning 60 months of service. In special cases, contributing employees may apply for disability retirement, which is based on an injury or illness which is a direct result of a duty related injury prior to earning 60 months of service. Contributing employees in hazardous duty positions may apply for disability retirement, which is based on injury or illness which is a direct result of an act-in-line-of-duty, prior to earning 60 months of service.

Disability is determined as of the employee's last day of paid employment. Application for disability must be made within 24 months of the last day of paid employment. Before the application is processed, the employee must request reasonable accommodations, as defined in the Americans with Disabilities Act (ADA) that could allow the employee to continue to perform the duties of the position. Both the employee and employer must submit a job description.

FOR NONHAZARDOUS EMPLOYEES: Disability is determined from the objective medical evidence obtained from the employee's physicians. Objective medical evidence includes test results, studies, medical reports, and the results of examinations. A physician's statement that the employee is disabled is not by itself evidence of a disability. The Kentucky Retirement Systems' medical examiners review the objective medical evidence and job descriptions. If the incapacity (1) did not exist before the employee was employed, (2) is expected to last at least 12 months or result in death and (3) the objective medical evidence is sufficient to prove that the incapacity prevents the employee from performing his job or a job of similar duties, the employee's application for disability will be approved.

NOTE: A condition or disease which was preexisting at the time of the employee's employment may be considered if the condition was aggravated by accident or injury during the course of employment or if the employee has 16 years service credit for work with employers participating in the Kentucky Retirement Systems.

SPECIAL DUTY-RELATED DISABILITY BENEFITS NONHAZARDOUS EMPLOYEES: A duty-related injury is a single catastrophic physical injury that occurs while performing his job duties or a single act of violence committed against the employee related to his job duties.

FOR HAZARDOUS EMPLOYEES: There are two levels of disability: Total and Permanent Disability or Hazardous Disability. Total and permanent disability means the employee is incapable of performing any occupation. Hazardous disability means the employee is totally incapable of working in a hazardous position, but may still be capable of performing other types of work.

Medical examiners are in a fiduciary relationship with the Kentucky Retirement Systems.

The procedure is as follows:

1. The Systems electronically submits applicant records to the medical examiner. (The medical examiner assumes full responsibility for any and all hardware and software issued by Systems.)
2. The medical examiner reviews the medical records electronically using a KRS issued device. The examiner recommends approval of the application, recommends rejection of the application, or requests submission of additional medical evidence from the applicant.
3. The medical examiner will electronically dictate their recommendations, using the KRS issued device, to be transcribed by Systems staff.
4. If the medical examiner recommends approval or rejection, the recommendation must contain a detailed explanation of the reason(s) why the application was approved or rejected.
5. If the medical examiner requests submission of additional medical information, the recommendation must state the specific medical information, tests or procedures the applicant should submit and the reason this information is required. The medical examiner may recommend that a physician with expertise in a specific medical specialty perform the examination or procedure.
6. The medical examiner is expected to complete the review and provide a recommendation within seven (7) days of receipt of the information. The medical examiner is expected to notify the retirement office if a review will not be completed within the prescribed time frame.
7. If the applicant is denied and appeals the denial, the medical examiner may be requested to testify or be deposed regarding his decision.

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PROPOSAL REQUIREMENTS

Your proposal, at a minimum, must include the following:

1. Your name, address and telephone number.
2. The name of the institution from which you obtained your medical degree and the date of receipt.
3. Details regarding any complaints made to the Medical Licensure Board, or any other agency, related to your medical license or practice of medicine.
4. Your area of practice or specialty.
5. The facilities in which you practice or have practiced.
6. The length of time you have been a licensed physician in Kentucky.
7. Disclosure of whether you review disability data for any private firm or governmental entity, and if so, the name of the firm or agency.
8. The amount of time per year you will be unavailable to review cases.

A form for providing the above is attached. Please feel free to provide any additional information that may be relevant and also attach your curriculum vitae or resume.

KENTUCKY RETIREMENT SYSTEMS
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ACKNOWLEDGMENT OF TERMS OF PROPOSAL

TO: Board of Trustees
Kentucky Retirement Systems

In consideration for your review of this proposal for medical examiner, I acknowledge and agree:

- A) There is no express or implied obligation of Kentucky Retirement Systems (KRS) to reimburse responding individual for any expenses incurred in preparing a response submitted in accordance with this Request for Proposal.
- B) KRS reserves the right to reject any and all proposals and to negotiate the terms of any contract that may result from the proposal. KRS reserves the right to cancel the Request for Proposal, award multiple contracts for some or all service sought, or award non-bid contracts for medical examiner as well as any bid contracts. In reviewing the proposals, the Board may consider any factors it deems necessary and proper to be the most advantageous to KRS. Such factors shall include, at a minimum, expertise in providing disability determinations, experience with governmental disability determinations and availability to provide regular and continuing service for KRS.
- C) KRS reserves the right to request additional information after the proposal receiving date.
- D) An award of contract may be made upon the basis of the initial written proposals received without written or oral discussions.
- E) Contracts have no guarantees for a minimum amount of work.
- F) All proposals submitted shall become the property of KRS and shall not be subject to public inspection until the negotiation process is concluded either by award of a contract or at the discretion of the Board. All proposals will become public record thereafter.
- G) Proposing individual hereby acknowledges that he is not a member or retiree of the Kentucky Employees Retirement System, County Employees Retirement System or State Police Retirement System.

**KENTUCKY RETIREMENT SYSTEMS
REQUEST FOR PROPOSAL - MEDICAL EXAMINER**

ACKNOWLEDGMENT OF TERMS OF PROPOSAL (CONTINUED)

- H) Proposing individual hereby acknowledges having read the attached Contract and agrees to abide by all terms and conditions thereof.
- I) Either party shall have the privilege to terminate the contract with or without cause at anytime upon thirty (30) days prior written notice by registered mail or personal delivery.
- J) Any contract resulting from this RFP shall be governed by and in accordance with the laws of the Commonwealth of Kentucky.
- K) The term of the initial contract will be for at least one fiscal year. It is anticipated that the contract will subsequently be renewed on an annual basis, or longer period if agreed upon by both parties, with terms and conditions for such renewals being subject to negotiation.
- L) Before any work can commence under the initial contract or any subsequent contracts, final approval must be given by the Kentucky Retirement Systems' Board of Trustees.

Acknowledged and agreed to by:

Name of Physician

Signature

Date

KENTUCKY RETIREMENT SYSTEMS
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Inquiries concerning the Request for Proposal should be made to:

Liza Welch
Director
Disability and Death Division
Kentucky Retirement Systems
Perimeter Park West
1260 Louisville Road
Frankfort, Kentucky 40601-6124

Phone: (502) 696-8494
Fax: (502) 696-8803

Proposals should be sealed in an envelope and clearly marked: “PROPOSAL—MEDICAL EXAMINER SERVICES.”

KENTUCKY RETIREMENT SYSTEMS
MEDICAL EXAMINER INFORMATION

1. Name	
2. Address	
3. Telephone number	
4. Email address (if applicable)	
5. Name and address of institution from which you obtained your medical degree	
6. Date degree obtained	
7. Complaints against you related to your practice of medicine? If so, please explain. Please indicate "none" if there have no complaints.	
8. Area of practice or specialty	
9. Facilities in which you practice	
10. Length of time you have been licensed in Kentucky.	

11. Name of private firm or governmental entity for which you perform disability reviews	
12. Statement of availability to perform weekly reviews. Anticipated periods or total amount of time when not available to perform reviews	
13. Additional comments or information not addressed previously	

SAMPLE CONTRACT

THIS CONTRACT, made and entered into this ____ day of _____, 2012, by and between the Kentucky Retirement Systems, 1260 Louisville Road, Frankfort, Kentucky 40601, hereinafter referred to as "Systems", and (NAME) (ADDRESS), hereinafter referred to as the "Medical Examiner".

WHEREAS, SYSTEMS by action of its Board of Trustees at its meeting held on the ____ day of _____, 2012, has by order pursuant to authority granted in KRS 61.645 and 61.665 selected the Medical Examiner to review applications for disability or death retirement benefits, re-examinations, or annual reviews of current disability retirement recipients of the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System;

WHEREAS, the Medical Examiner is a licensed physician, practicing in Kentucky and not a member of any retirement systems administered by Systems.

NOW THEREFORE, it is hereby and herewith agreed as follows:

1. **Scope of Services.** The Medical Examiner will, as referred by Systems, perform the following services: Analyze medical records, health or medical statements and certifications, hereinafter referred to as "files," made by or on behalf of any applicant for disability or death benefits or re-examination of files regarding disability or death payments from the Kentucky Employees Retirement System, County Employees Retirement System, or State Police Retirement System, and shall report in writing to the Board his conclusions and recommendations upon all matters referred to him. Furthermore, the Medical Examiner may recommend applicable diagnostic medical tests or procedures which are authorized by law to determine disability. The Medical Examiner shall provide a detailed report to the Board stating the reasons for his/her decision to approve or deny an application for disability retirement benefits in accordance with KRS Chapter 16, KRS Chapter 61 and KRS Chapter 78.

2. **Fees.**

(a) For the services rendered by the Medical Examiner under Paragraph 1, Systems shall pay quarterly (as of September 30, December 31, March 31, and June 30) within thirty (30) days after such date, eighty dollars (\$80.00) for each case evaluated or re-evaluated during the quarter.

(b) In the event that Systems requires the deposition or testimony at a hearing of the Medical Examiner in a disability case, Systems will pay to the Medical Examiner a fee of one hundred dollars (\$100) for each deposition or testimony at a hearing. Such fee shall be payable within thirty (30) days from the date of the deposition or hearing. However, in the event the disability applicant or any other individual requires the deposition or testimony of the Medical Examiner, the Medical Examiner's fee for such deposition or testimony shall be negotiated between the Medical Examiner and such individual, and Systems shall have no responsibility for the payment thereof.

(c) In the event that Systems requests that the Medical Examiner perform a service outside of the duties provided in Paragraph 1, Systems shall pay the medical examiner a fee of \$100.00 for the service. The Systems shall submit a written request to the Medical Examiner describing the service to be performed.

(d) Medical Examiner will be reimbursed in accordance with the Kentucky Retirement Systems Travel Policy and Procedures for any normal travel expenses incurred in the performance of this contract.

Travel time is hereby specifically excluded from being a chargeable service.

3. **Duration of Contract.** The period in which subject services are to be performed is July 1, 2012 through June 30, 2013. At the expiration of its term, this agreement may, at the option of the parties hereto, be extended by negotiation for additional periods.

4. **Termination or Cancellation.** Termination or cancellation of this Contract may be effected at any time by either party upon thirty (30) days advance written notice of its intent to terminate. The notice of intent to terminate shall be served on the other party by registered or certified mail.

5. **Training.** The Medical Examiner may be required to attend up to two (2) training sessions during the term of this contract. Systems shall pay the Medical Examiner the sum of seventy-five (\$75.00) per hour for attending training sessions.

6. **Conflict of Interest.** The Medical Examiner shall comply with the Kentucky Retirement Systems Conflict of Interest and Confidentiality Policy which is attached hereto and hereby incorporated by reference. Medical Examiner hereby certifies that he/she is legally entitled to enter into this contract with the Kentucky Retirement Systems and certifies that he/she will not be violating any conflict of interest statute (KRS 121.056 or any other applicable statute) or principle by the performance of this contract. The Medical Examiner shall not engage directly or indirectly in any financial or other transaction with a trustee or employee of Systems which would violate standards of the Executive Branch Ethics provisions, as set forth in KRS Chapter 11A.

7. **Relationship of the Parties.** The Medical Examiner warrants that all work performed by Medical Examiner under this Contract is and shall be performed as an independent contractor. This Contract shall not be construed so as to create an employee-employer relationship, a partnership, or joint venture between Medical Examiner and Systems.

8. **Amendments and Renewal.** Written modifications, amendments or additions to this contract shall be effective only when signed by both parties. At the expiration of its term, this contract may, at the option of the parties hereto, be renewed by negotiation for further periods not to exceed sixty (60) months for each such renewal period.

9. **Purchasing by the Commonwealth of Kentucky.** The Medical Examiner certifies by his signature hereinafter that he will not attempt in any manner to influence any specifications to be restrictive in any way or respect nor will he attempt in any way to influence any purchasing of services, commodities or equipment by the Commonwealth of Kentucky.

10. **Controlling Law; Jurisdiction and Venue; Waiver.** All questions as to the execution, validity, interpretation, construction and performance of this Agreement shall be construed in accordance with the laws of the Commonwealth of Kentucky, without regard to conflict of laws principles thereof. The Medical Examiner hereby consents to the jurisdiction of the courts of the Commonwealth of Kentucky and further consents that venue shall lie in the Franklin Circuit Court located in Franklin County, Kentucky. To the extent that in any jurisdiction the Medical Examiner may now or hereafter be entitled to claim for himself or his assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, the Medical Examiner, to the extent he/she may effectively do so, irrevocably agrees not to claim, and he hereby waives, same.

11. **Severability.** The provisions of this Contract shall be deemed severable, and the unenforceability of any one or more provisions shall not affect the enforceability of any of the other provisions. In addition, if any provision of this Contract, for any reason, is declared to be unenforceable, the parties shall substitute an enforceable provision that, to the maximum extent possible in accordance with applicable law, preserves the original intentions and economic positions of the parties.

12. **Assignment.** This contract may not be assigned by the Medical Examiner without the written consent of the Systems. Further, the obligations of the Medical Examiner under this contract shall be considered personal obligations of the Medical Examiner, performable solely by the Medical Examiner, and the Medical Examiner may not delegate his duties hereunder to any entity without the express written consent of the Systems.

13. **Business Associate Agreement:** The Medical Examiner shall enter into a Business Associate Agreement (BAA) with Systems. In order for the Medical Examiner to provide his/her services, the Systems will make available and/or transfer to the Examiner, certain Protected Health Information and Electronic Health Information (collectively known as "PHI") that is confidential and must be afforded special treatment and protection pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and its implementing regulations: the Standards for Privacy of Individually Identifiable Health Information (the "Privacy Rule") and the Security Standards for Protection of Electronic Health Information (the "Security Rule"). Any PHI received by the Medical Examiner can be used or disclosed only in accordance with the Business Associate Agreement.

14. **Confidentiality.** The Medical Examiner shall also comply with the Kentucky Retirement Systems Conflict of Interest and Confidentiality Policy which is attached hereto and hereby incorporated by reference. By his/her signature, the Medical Examiner acknowledges that files contain confidential account information and shall not be released for publication in accordance with KRS 61.661. He/she further agrees to hold all files confidential and maintain both electronic and hard copy files in a secure manner while in his/her possession.

a. **Access to Confidential Data.** The Medical Examiner's employees, agents and subcontractors may have access to confidential data maintained by the Systems to the extent necessary to carry out its responsibilities under the Contract. The Medical Examiner shall presume that all information received pursuant to this Contract is confidential and subject to the provisions of KRS 61.661 unless otherwise designated by the Systems. The Medical Examiner shall provide to the Systems a written description of its policies and procedures to safeguard confidential information. The Medical Examiner shall provide KRS updates or changes to these policies in a timely manner. Policies of confidentiality shall address, as appropriate, information conveyed in verbal, written, and electronic formats. The Medical Examiner shall provide physical and logical protection for all KRS written and electronic data. Electronic data shall be encrypted during transport and at rest utilizing KRS policy standards. The Medical Examiner is responsible for ensuring that they have reviewed all policies and policy updates. The Medical Examiner shall remain the responsible authority in charge of all data collected, used, or disseminated by the Medical Examiner in connection with the performance of the Contract. The Medical Examiner shall provide adequate supervision and training to its agents, employees and subcontractor to ensure compliance with the terms of this Contract. The Medical Examiner shall comply with all KRS and Commonwealth of Kentucky enterprise policies and standards. In absence of a policy or standard, the Medical Examiner shall implement and use Industry Best Practices at all times to protect KRS information and data. The private or confidential data shall remain the property of the Systems at all times.

b. **No Dissemination of Confidential Data.** No confidential data collected, maintained, or used in the course of performance of the Contract shall be disseminated except as authorized by law and with the written consent of the Systems either during the period of the Contract or thereafter. Any data supplied to or created by the Medical Examiner shall be considered the property of the Systems. The Medical Examiner must promptly return any and all data collected, maintained, created or used in the course of the performance of the Contract, in whatever form it is maintained, at the request of the Systems.

c. **Subpoena.** In the event that a subpoena or other legal process is served upon the Medical Examiner for records containing confidential information, the Medical Examiner shall promptly notify the Systems and cooperate with the Systems in any lawful effort to protect the confidential information.

d. **Reporting of Unauthorized Disclosure.** The Medical Examiner shall immediately report to the Systems any unauthorized disclosure of confidential information. KRS will manage the disclosure in accordance with our established policies. The Medical Examiner, at the sole discretion of KRS, shall provide no cost credit monitoring services for KRS members that are deemed to be part of a potential disclosure. The Medical Examiner shall bear the cost of notification to KRS members that are involved in a potential disclosure event, including individual letters and/or public notice.

e. **Survives Termination.** The Medical Examiner's obligation under this Section regarding the security, confidentiality, and ownership of data as set forth in this section shall survive termination of this Contract.

15. **Notices of Material Changes.** Medical Examiner shall notify the Board of Trustees in writing within five (5) business days of any complaints, investigations, examinations, or other proceedings commenced by any governmental regulatory agency against him. Notice required in this paragraph shall be served on Systems by registered or certified mail.

16. **Authorized Signature: The Systems.** The undersigned, William A. Thielen, is Interim Executive Director of Kentucky Retirement Systems and as such has been duly authorized by the Board of Trustees of the Kentucky Retirement Systems to sign this contract on behalf thereof, therefore, legally binding Systems to the provisions of the contract.

17. **Authorized Signature: Medical Examiner.** The undersigned, (NAME), M.D., is a licensed physician, and, as such, is duly authorized to sign this contract on behalf thereof, therefore, legally binding the Medical Examiner to the provisions of the contract.

KENTUCKY RETIREMENT SYSTEMS

MEDICAL EXAMINER

BY: _____
William A. Thielen
Interim Executive Director
1260 Louisville Road
Frankfort, Kentucky 40601

BY: _____
(NAME), M.D.
Physician
(ADDRESS)
(CITY and STATE)

On behalf of the Systems

On behalf of Medical Examiner

Approved as to Form and Legality:
KENTUCKY RETIREMENT SYSTEMS

BY: _____
Hon. Jennifer A. Jones
Interim General Counsel

CONFIDENTIALITY AGREEMENT
Kentucky Retirement Systems

Effective this _____ day of _____, 20___, the Kentucky Retirement Systems ("SYSTEMS") and _____ ("CONTRACTOR"), agree as follows:

1. This Confidentiality Agreement outlines the responsibility of the CONTRACTOR regarding the confidential nature of access to SYSTEMS resources.

2. CONTRACTOR may be interested in obtaining information related to a particular area of the SYSTEMS' operations, in order to respond to one or more requests for proposal from the SYSTEMS. All such information, including, but not limited to, specifications, technical descriptions, expertise, information relating to techniques and processes, product or services information, information regarding any inventions, discoveries, developments, methods, trade secrets, software, databases, or innovations developed by or for SYSTEMS, and information which is used in SYSTEMS' business and is proprietary to, about, or created by SYSTEMS, including but not limited to financial and other business or market information, member information, personnel information, and other technical and business data, records and information, including but not limited to information and tangible items relating thereto (whether in tangible, verbal, written, or electronic form) is collectively referred to herein as the "Information."

3. SYSTEMS may, in SYSTEMS' own discretion, provide to CONTRACTOR access to that portion of the Information which may be useful to CONTRACTOR for the sole purpose of reviewing the Information and drafting proposals in response to any request for proposal from SYSTEMS.

4. Should a contract be awarded, CONTRACTOR shall be granted appropriate access to the SYSTEMS' documents, records, programs, files, and any pertinent data resource needed to fulfill its contractual agreement or to complete the services requested by the SYSTEMS. This access shall include confidential information only as SYSTEMS deems necessary. The CONTRACTOR shall maintain confidentiality and data integrity of said documents, records, programs, and data resources.

5. Confidential Information, for purposes of this agreement, means any information specific to individual member accounts administered by the SYSTEMS including, but not limited to, Social Security numbers, names, addresses, phone numbers, birth dates, beneficiaries, health insurance information, and/or Personal Identification Numbers (PIN). Confidential Information does not include information that (a) is or becomes generally available to the public other than as a result of disclosure by the

SYSTEMS, (b) was available to the CONTRACTOR on a non-confidential basis prior to its disclosure by the SYSTEMS, (c) becomes available to the CONTRACTOR on a non-confidential basis from a source other than the SYSTEMS, or (d) has been or is independently developed by the CONTRACTOR.

6. CONTRACTOR acknowledges that information regarding SYSTEMS' current, former, and retired members is confidential pursuant to KRS 61.661 and under no circumstances shall CONTRACTOR use, disclose, or permit third party access to any information regarding SYSTEMS' current, former, and retired members.

7. CONTRACTOR shall not use any Information, except for the purposes for which CONTRACTOR is contracting, and shall not disclose to any third party such Information unless CONTRACTOR receives the prior written approval of the General Counsel of the SYSTEMS.

8. CONTRACTOR shall hold in trust and maintain as confidential all Information which has been or may hereafter be made available to CONTRACTOR, directly or indirectly, by SYSTEMS. The Information may not be copied by CONTRACTOR during the proposal process. After a contract is awarded, the CONTRACTOR to whom the contract is awarded may make copies of the information as needed with the SYSTEMS' permission.

9. This Agreement is not assignable by CONTRACTOR.

10. CONTRACTOR agrees that all developments made and works created by them, or under their direction in connection with the SYSTEMS' contractual agreement shall be the sole and complete property of the SYSTEMS and all copyrights and other proprietary interest therein shall belong to the SYSTEMS. CONTRACTOR agrees not to attempt to reverse engineer and agrees to assign all patent rights to any invention CONTRACTOR may make as a result of CONTRACTOR's receipt of the Information to SYSTEMS.

11. Upon request from SYSTEMS, and in any event, upon the rejection of the proposal of the CONTRACTOR or the termination of the contract, CONTRACTOR shall return to SYSTEMS the Information and all other written information, documentation, memoranda, records, models, drawings, photos, data, samples, notes, computer programs, and any other documents (manual or electronic) pertaining to the SYSTEMS and the like which CONTRACTOR may have received relating to the Information and all copies of the same or any portions thereof. Title to all tangible objects containing any of the Information shall belong to SYSTEMS.

12. CONTRACTOR shall remove confidential information from their computer systems when work processes on behalf of the SYSTEMS are completed. Additionally, all drive space and media shall either be protected in an encrypted manner and/or wiped using an approved industry standard to ensure that the confidential data is not able to be recovered from the media. CONTRACTOR shall certify to SYSTEMS in writing that the

removal has been completed.

13. Violations of this Agreement will result in immediate termination of the CONTRACTOR. CONTRACTOR shall indemnify SYSTEMS for any and all damages or judgments resulting from a violation of this Agreement.

14. This agreement constitutes the entire understanding between the parties related to the confidentiality of Information. No amendment or modification of this Agreement will be valid unless in writing and signed by both parties.

15. A waiver of a breach of this Agreement shall not constitute a waiver as to any further breach or other breach. This Agreement shall be interpreted according to the laws of the Commonwealth of Kentucky, without regard to choice of law provisions. All disputes arising hereunder shall be litigated in the Franklin Circuit Court, situated in Franklin County, Kentucky, and CONTRACTOR hereby consents to jurisdiction and venue therein and hereby waives any right to object to jurisdiction or venue.

THE PARTIES ACKNOWLEDGE THAT THEY HAVE READ, UNDERSTOOD AND AGREED TO THE TERMS AND RESTRICTIONS OF THIS AGREEMENT.

_____ KENTUCKY RETIREMENT SYSTEMS
CONTRACTOR NAME
By: _____ By: _____
Name: _____ Name: _____
Title: _____ Title: _____
Date: _____ Date: _____

Sample

KENTUCKY RETIREMENT SYSTEMS
CONFLICT OF INTEREST AND CONFIDENTIALITY POLICY
Approval Date: August 17, 2006

INTRODUCTION

Adoption of Conflict of Interest and Confidentiality Policy:

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

Statement of Conflict of Interest and Confidentiality Policy:

KRS recognizes the need to maintain the public’s confidence and trust in the integrity of KRS and the Commonwealth of Kentucky. Individuals associated with KRS must not engage in activities that have the potential to become a conflict of interest with their association with KRS. Likewise, individuals associated with KRS must not release information about KRS or any of its members that would breach any duty to protect such information. KRS recognizes the need to establish procedures to prevent such conflicts or breaches.

Purpose:

The purpose of this Conflict of Interest and Confidentiality Policy is to: a) establish what individuals are subject to conflict of interest provisions of KRS; b) establish the specific standards of conduct with regard to conflict of interest; c) establish standards with regard to the confidentiality of information; and d) establish procedures for the obtaining of written conflict of interest statements and confidentiality agreements from certain individuals.

PROCEDURES REGARDING CONFLICTS OF INTEREST AND CONFIDENTIALITY

Section 1: Application of Policy

1. This policy shall apply to all individuals who have a statutory, contractual or working relationship with KRS.
2. Individuals affected by this policy shall include, but are not limited to:
 - A. Employees of KRS;
 - B. The Board;
 - C. Independent contractors of KRS; and
 - D. Vendors of KRS.

Section 2: Standards of Conduct Regarding Conflicts of Interest

1. Individuals have an obligation to diligently identify, disclose, avoid, and manage conflicts of interest.
2. Potential conflicts of interest exist when an individual or an individual's family may be directly or indirectly financially impacted, whether favorably or detrimentally, by a decision made by KRS in which the individual participates.
3. Individuals and their family members should not enter into any contract with KRS or any agency doing business with KRS, for financial gain, apart from an employment contract, without full disclosure and satisfactory management of any potential conflict of interest in accordance with the Executive Branch Code of Ethics.
4. Individuals should not be involved in the decision to hire or in the supervision of any member of their immediate family.
5. Individuals should not conduct business or participate in decisions with a company or agency in which the individual or family member is employed or is actively seeking employment.
6. Individuals should not accept gifts, loans, gratuities, discounts, favors, hospitality, services, or other compensation under circumstances from which it could reasonably be inferred that a major purpose of the donor is to influence the individual in the performance of their duties.
7. Individuals must avoid all conduct which in any way might lead the public to believe that the individual is using his or her position with KRS to further a professional or private interest.
8. Individuals not covered by the conflict of interest provisions under KRS Chapter 11A must not violate any conflict of interest statute or principle by the performance of their duties with KRS. These individuals must not engage directly or indirectly in any financial or other transaction with a trustee or employee of KRS that would violate the standards of the Executive Branch Ethics provisions, as set forth in KRS Chapter 11A.

Section 3: Standards of Conduct Regarding Confidentiality

1. Individuals associated with KRS may be granted access to confidential information in the course of an employment, Board or contractual relationship with KRS.
2. This information may include, but is not limited to, individual member information, including but not limited to, Social Security numbers, names, addresses, phone numbers, birth dates, beneficiaries, health insurance information, Personal Identification Numbers (PIN), as well as documents, records, programs, files, scientific or technical information, or other information made available to individuals for purposes of completing their obligations to KRS.

3. These individuals have a duty to keep confidential the information to which they are granted access as a result of their association with KRS.
4. KRS and these individuals shall also recognize that confidential member information is protected under KRS 61.661.

Section 4: Written Statements of Conflict of Interest and Confidentiality

1. On an annual basis, the Executive Director of KRS, the members of the Board, any independent contractors and vendors of KRS shall file a written conflict of interest statement on the form(s) provided by KRS and adopted by the Board of Trustees.
2. Upon proposal for contract, and continuing on an annual basis, any independent contractors and vendors of KRS shall file a written confidentiality agreement on the form provided by KRS and adopted by the Board of Trustees. This form may be amended to conform to specific needs of the individual vendor or contractor as deemed necessary.
3. Other employees of KRS may also be requested to file a written conflict of interest statement as needed or requested by the Board.
4. An individual who abstains from involvement in an official decision because of a personal or private interest must disclose that fact in writing to his or her supervisor or contact person at KRS.

ETHICS AND CONFIDENTIALITY

Individuals as set forth above shall conform to the Executive Branch Code of Ethics with regard to conflicts of interests as set forth in KRS Chapter 11A. Individuals as set forth above shall conform to the confidentiality requirements of KRS 61.661.