

APPENDIX A

SB 2 Compliance Questionnaire

GOVERNANCE

1. Have all gubernatorial appointees to the board been confirmed by the Senate?
2. Do all gubernatorial appointees have the “investment experience” required under KRS 61.645(1)(e)? Provide the relevant expertise for each appointee.

FIDUCIARY DUTY & CODE OF CONDUCT

3. Are each of the following classes of individuals adhering to the fiduciary duties required under KRS 61.650(1)(c)? Provide documentation verifying compliance by each individual.
 - a. All employed staff associated with the investment and management of retirement system assets;
 - b. All investment advisors under contract who are managing retirement system assets; and
 - c. Members of the Board of Trustees.
4. Are each of the following classes of individuals adhering to the relevant codes promulgated by the CFA Institute as required under KRS 61.650(1)(d)? Provide the documentation verifying compliance by each individual.
 - a. All employed staff associated with the investment and management of retirement system assets:
 - i. Code of Ethics and Standards of Professional Conduct?
 - ii. Asset Manager Code of Professional Conduct?
 - b. All investment advisors under contract who are managing retirement system assets:
 - i. Code of Ethics and Standards of Professional Conduct?
 - ii. Asset Manager Code of Professional Conduct?
 - c. Members of the Board of Trustees:
 - i. Code of Conduct for Members of a Pension Scheme Governing Body

APPENDIX A

SB 2 Compliance Questionnaire

STATE CODES

Model Procurement Code (KRS Chapter 45A)

5. List all procurements made on behalf of the retirement system since July 1, 2017, in date order and including the type of contract (i.e. competitive bid, non-bid, sole source, personal service contract, or memorandum of agreement).
6. Has the retirement system procured items using a Master Agreement that was not negotiated on behalf of the retirement system? If yes, identify the Master Agreement, including the name of the contractor, under what agency's authority the Master Agreement was issued, and the relevant contract dates for the Master Agreement.
7. List and provide copies of the last five (5) invitations to bid or requests for proposals issued on behalf of the retirement system. For each invitation or request:
 - a. Identify whether it is pending, canceled, or a contract has resulted.
 - b. Identify what kind of contract resulted, if any (i.e. competitive bid, non-bid, sole source, personal service contract, or memorandum of agreement).
 - c. If resulting in a final contract, provide:
 - i. The name of the evaluation committee members appointed;
 - ii. Copies of the evaluation forms, including the evaluation criteria used by the committee;
 - iii. Copies of the scoring sheets;
 - iv. The name of the final bidder awarded the contract; and
 - v. A copy of the contract.

State Personnel System (KRS Chapter 18A, if applicable)

8. Have all non-exempt employee positions with the retirement system been transitioned under KRS Chapter 18A, KAR Title 101, and the relevant policies of the Kentucky Personnel Cabinet?
9. Provide copies of all Job Class Specifications currently utilized by the retirement system.
10. Are any of the positions utilized by the retirement system classified as non-merit? List the non-merit positions. For each non-merit employee, provide a copy of the personnel action form issued by the Kentucky Personnel Cabinet. (Personal information should be redacted.)
11. Other than the executive director/executive secretary, are there any paid staff of the retirement system that are not under KRS Chapter 18A? List the non-18A employees and under what authority and agency they are being paid.

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TRANSPARENCY

Investment Performance, Fees and Commissions

12. Is the plan providing net of fees investment returns, asset allocations, and performance of the funds against benchmarks for each asset class and manager on a quarterly basis?
 - a. Provide most recent quarterly report.
 - b. Provide a link to where the report is publicly available online.

13. By statute, plans are required to provide investment holdings, fees, and commissions for each fund administered on a quarterly basis.
 - a. Is the plan reporting all holdings, fees and commission quarterly basis?
 - i. Provide most recent quarterly report.
 - ii. Provide a link to where the report is publicly available online.
 - b. Is the plan requesting all fee and commission information from each manager or partnership consistent with standards established by the Institutional Limited Partners Association (ILPA)?
 - i. How is the plan requesting the information and ensuring in manner consistent with ILPA
 - ii. If using a template to request fee information, provide a copy.
 - c. Is the plan disclosing the dollar value of any profit sharing, carried interest, incentive arranges or other partnership fees?
 - i. Provide most recent quarterly report.
 - ii. Provide a link to where the report is publicly available online.
 - iii. Provide a list of managers, service providers, and/or partners who have declined to provide dollar value of profit sharing, carried interest, incentive arrangements or other partnership fees.

Contracts

14. Are all contracts or offering documents for services, goods, or property purchased or utilized by the systems available publically online?
 - a. Provide a link to where the report is publicly available online.
 - b. Provide a list of service providers, managers, or partnerships whose contract with the retirement system is not available online and provide an explanation.

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Procurement Policy for Investment Services

15. Has the system created an Investment Procurement Policy in consultation with the secretary of the Finance and Administration Cabinet or his or her designee?
- a. Provide a copy of the policy.
 - b. Is the policy publicly available online? If yes, provide the link.
 - c. Has the policy been approved by the board? Provide the date of approval.
 - d. Has the policy been approved by the secretary of the Finance and Administration Cabinet or his or her designee? Provide the date of approval.
 - e. Has the policy been amended since the above approvals? Under whose approval and when?